

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7599

Joint Petition of Northern New England)
Telephone Operations LLC, Telephone)
Operating Company of Vermont LLC, d/b/a)
FairPoint Communications, Enhanced)
Communications of Northern New England Inc.,)
and FairPoint Vermont, Inc. (collectively,)
"FairPoint") for approval of an indirect)
acquisition of a controlling interest in these)
companies; approval of a Settlement between)
the Department of Public Service and FairPoint;)
approval of the modification of certain)
Certificates of Public Good issued in Docket)
7270; and approval of certain other transactions)

Order entered: 3/25/2010

PROCEDURAL ORDER RE: PROTECTIVE AGREEMENT

Northern New England Telephone Operations LLC, Telephone Operating Company of Vermont LLC, d/b/a FairPoint Communications, Enhanced Communications of Northern New England Inc., and FairPoint Vermont, Inc. (collectively, "FairPoint") has information, that it alleges is of a confidential and proprietary nature, that it has been, or may be, asked to provide to the Public Service Board ("Board") and the Vermont Department of Public Service ("Department" or "DPS") (FairPoint and the DPS will be sometimes referenced herein, where the context requires, as a "Party" and collectively as the "Parties"). To preserve the confidentiality of that information while facilitating disclosure of information in this proceeding, the Parties have entered into a Protective Agreement, dated as of March 17, 2010, attached hereto (the "Protective Agreement"). Schedule I of the Protective Agreement, as may be amended in accordance with the terms of the Protective Agreement, describes information that FairPoint alleges may result in financial or competitive harm to FairPoint if disclosed on the public record (which information is stated as Schedule I, as amended from time to time, and is herein referenced as the "Allegedly Confidential Information").

Pursuant to that Protective Agreement and to preserve the confidentiality of Allegedly Confidential Information, FairPoint and the Department request that the Board issue a Protective Order implementing the terms and procedures of the Protective Agreement.

The Board finds good cause to order implementation of the Protective Agreement and that such Agreement is appropriate, useful and reasonable, but with the following clarification. Today's Protective Order shall govern only the protection of documents and information provided in disclosures and discovery. If a Party wishes to keep confidential any material that is proffered for inclusion in the evidentiary record, that Party must present a properly supported motion for protection of that material.

Therefore, IT IS HEREBY ORDERED that Allegedly Confidential Information provided by FairPoint pursuant to the Protective Agreement shall be treated in this proceeding as follows:

1. The Protective Agreement, filed with the Board on March 17, 2010, and attached hereto, is approved and adopted as part of this Order.

2. For each document or information response that FairPoint wishes to treat as Allegedly Confidential Information, FairPoint must submit a detailed, document-specific (or information-specific) averment of the basis for such treatment, which addresses the following, to the extent that FairPoint relies upon that factor as the basis for an assertion of confidentiality:

- a. Identification of the specific document or information for which confidential treatment is sought;
- b. Explanation of the degree to which the document or information contains a trade secret or other commercially sensitive information, or is privileged;
- c. For documents and information alleged to contain trade secrets or other commercially sensitive information,
 - i. the extent the information is known outside FairPoint,
 - ii. the extent the information is known by employees and independent contractors,
 - iii. the measures taken to guard secrecy,
 - iv. the value of the information to FairPoint and competitors,
 - v. the amount of effort or money used to develop the information,
 - vi. the ease or difficulty of others in acquiring or duplicating the information, and

- vii. an explanation of how disclosure of the information could result in cognizable harm sufficient to warrant a protective order;
- d. Justification of the period during which FairPoint asserts that material should not be available for public disclosure;
- e. Explanation of whether partial disclosure, or disclosure of redacted versions, can adequately protect the Allegedly Confidential Information; and
- f. Any other information that the party seeking confidential treatment believes may be useful in assessing whether the document or information should remain confidential.

3. If a party wishes to prefile any testimony or exhibits that include or otherwise disclose Allegedly Confidential Information, that party must give five business days' advance notice to counsel for the party or other person that designated the information as Allegedly Confidential. Any party may move the Board for an order that the testimony or exhibits be filed under seal or under other conditions to prevent unnecessary disclosure.

a. If such motion is filed within the five-business days' advance notice period, the proponent of the testimony and exhibits shall place them in a sealed record by filing such documents in sealed envelopes or other appropriate sealed containers on which shall be endorsed the caption and docket number of the proceeding, the nature of the contents (exhibit, report, etc.) and a statement that it shall not be opened or released from custody of the Clerk of the Board except by order of the Board or Hearing Officer. Notwithstanding such a statement, the members of the Board, and any employee or consultant specifically authorized by the Board to assist the Board in this proceeding and any Hearing Officer appointed to this Docket, may have access to such sealed Allegedly Confidential Information, but shall not disclose the contents of any such sealed information to any person who has not agreed to be bound by the Protective Agreement. The Board will then determine whether the proffered evidence should continue to be treated as confidential information and, if so, what protection, if any, may be afforded to such information.

b. If no such motion is filed by the end of the five-business days' advance notice period, the testimony and exhibits may be filed as a document available for public access.

4. At any hearing or conference in this proceeding, no witness may be questioned with respect to any Allegedly Confidential Information unless examining counsel has provided advance notice to counsel for any party or other person that designated the information as

allegedly confidential. To the extent possible, such notice shall be given prior to the commencement of the hearing or conference. Any party may move the Board for an order that the testimony be received *in camera* or under other conditions to prevent unnecessary disclosure. If such motion is made, the Board will then determine whether the testimony should be received *in camera* or subject to other protection.

5. Upon receipt of an executed Protective Agreement signature form, that is, either Schedule IIa or IIb to the Protective Agreement, counsel for FairPoint shall forward one copy of the form to the Clerk of the Board.

6. All documents filed with the Board that are subject to the Protective Agreement as Allegedly Confidential Information and any documents that discuss or reveal documents that constitute Allegedly Confidential Information shall be placed in a sealed record by filing such information in sealed envelopes or other appropriate sealed containers on which shall be endorsed the caption and docket number of the proceeding, the nature of the contents (discovery response, report, etc.) and a statement that it shall not be opened or released from custody of the Clerk of the Board except by order of the Board. Notwithstanding such a statement, the members of the Board, and any employee or consultant specifically authorized by the Board to assist the Board in this proceeding and any Hearing Officer appointed to the Docket, may have access to such sealed Allegedly Confidential Information, but shall not disclose the contents of any such sealed information to any person who has not agreed to be bound by the Protective Agreement.

7. The Board will retain jurisdiction to make such amendments, modifications and additions to this Order as it may, from time to time, deem appropriate, including any such amendments, modifications or additions resulting from a motion made pursuant to the Protective Agreement. Any party or other person may apply to the Board for an amendment, modification or addition of this Order.

8. The Board cautions the parties that there must be a good-faith basis for all claims of confidentiality. Claims without such a basis may result in sanctions against the party making the unfounded claim. A party's public disclosure of information that it has designated as Allegedly Confidential may indicate that the party lacked a good-faith basis for that designation.

SO ORDERED.

Dated at Montpelier, Vermont, this 25th day of March, 2010.

<u>s/ James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/ David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/ John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: March 25, 2010

ATTEST: s/ Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)